1951 File No. Motor Spirit Tax II/51 (R)

Legal Department

B BRANCH

Subject:— Rules under the Bombay Sales of Motor Spirit Taxation Act, 1946

P:4

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File No. Motor Spirit Tax II/51 (R)

Gen. 194 e.

377-B

Legal Department.

A revised draft notification in place of F.D. draft is sent herewith.

The new draft rule 24 proposed to be inserted by Finance Department has been omitted from the revised draft as there is a specific provision to that effect in the Act itself. (vide clause (c) of sub-section (2A) of section 3).

Id/-
9/3.
Secretary to Government.

U.R. to F.D. No. 4007, dated the 10th March 1951.

MSR.
16/7.

OFFICE OF THE R.L.A.

The view taken by Finance Department in its note at pages 2 and 4 ante that the proposed amendment would be redundant is not correct. It is true that under section 6 of the Bombay Motor Spirit Taxation Act, 1946, every trader is required to take a license and under section 7 of that Act, a trader without a licence is prohibited from carrying on business in the sale or purchase of motor spirit. But as a trader as defined in the Act may carry on business in the sale or purchase of motor spirit without taking out a licence, it would be necessary to amend rule 13(2) of the Rules as suggested by the Collector of Sales Tax.

2. A revised draft notification making the necessary change in the Rule is sent herewith.

Id/-
16/5.
Remembrancer of Legal Affairs.

U.R. to F.D. No. 7829, dated the 17th May 1951.

MSR.
17/7.

Office of the R.L.A.

A revised draft notification in place of the Finance Department draft, as subsequently proposed to be amended by linked file, is sent herewith subject to the following observations:-

(1) The proposal of the Finance Department to amend forms C and C1 by adding a clause whereunder a quantity of motor spirit gained by measure is to be shown by a licensee is not understood. The circumstances and the reasons for which the said proposal is made have not been explained in the Collector's letter or in the Finance Department note. Similarly, it is proposed by Finance Department to add a clause to item 2 in forms C and C1 whereunder the quantity of motor spirit lost in storage or transit or by measure is to be indicated by a licensee. The reasons for proposing the said amendment are not given either by the Collector of Sales Tax or the Finance Department. Until the full circumstances under which the said two clauses are proposed by the Collector of Sales Tax are explained and the implication thereof are stated, it is not possible for the R.L.A. to scrutinise the said two provisions, for the reasons stated above.

(2) As regards the proposal to amend 13, it is presumed that it appears to be the trade practice that where the quantity of motor spirit is stored by a trader buying such motor spirit in the storage installation

of the trader who sells it and some is lost due to leakage, such trader is entitled to a refund of a part of the price. It is necessary to make a reference to such quantity also in forms C and C-1 and F and F-1.

Id/ -

10/4.

Remembrancer of Legal Affairs.

U.R. to F.D. No. 17928, dated the 12th November 1951.

MSR.
17/7.